

WHAT IS CLAIMED IS:

- 1 1. A method of financing a real estate transaction, the method comprising:
2 determining an amount of seller paid points;
3 determining a length of term;
4 determining an amount of reduction; and
5 generating a financial instrument redeemable for the amount of reduction over the
6 length of term.
- 1 2. The method of Claim 1, wherein determining the amount of seller paid
2 points comprises determining an amount of prepaid points not to exceed three points.
- 1 3. The method of Claim 1, wherein determining the length of term comprises
2 determining a term of an effective interest rate reduction.
- 1 4. The method of Claim 1, wherein the length of term is less than or equal to
2 three years.
- 1 5. The method of Claim 1, wherein the length of term is less than or equal to
2 2 years.
- 1 6. The method of Claim 1, wherein the length of term is less than or equal to
2 4 years.
- 1 7. The method of Claim 1, wherein the amount of reduction comprises an
2 amount of effective mortgage interest rate reduction.
- 1 8. The method of Claim 1, wherein the amount of reduction comprises an
2 amount of interest payment reduction.
- 1 9. The method of Claim 1, wherein determining the amount of reduction
2 comprises determining an effective mortgage interest rate reduction based in part on the amount
3 of seller paid points.

1 10. The method of Claim 1, wherein determining the amount of reduction
2 comprises determining an effective mortgage interest rate reduction based in part on the amount
3 of seller paid points, the length of term, and a lender discount rate

1 11. A method of financing a real estate transaction, the method comprising:
2 receiving a financial instrument providing for an amount of seller prepaid points;
3 generating a mortgage;
4 redeeming the financial instrument for the amount of seller prepaid points; and
5 reducing buyer mortgage payments for a predetermined period of time, less than a
6 term of the mortgage, based in part on the seller prepaid points.

1 12. The method of Claim 11, wherein receiving the financial instrument
2 comprises:
3 determining the amount of seller paid points;
4 determining a length of term;
5 determining an amount of reduction; and
6 generating the financial instrument redeemable for the amount of seller prepaid
7 points.

1 13. The method of Claim 11, wherein redeeming the financial instrument
2 comprises receiving a value corresponding to the amount of seller paid points.

1 14. The method of Claim 11, wherein redeeming the financial instrument
2 comprises receiving a value corresponding to the amount of seller paid points from an escrow.

1 15. The method of Claim 11, wherein the seller comprises a residential real
2 estate seller.

1 16. The method of Claim 11, further comprising receiving a buyer mortgage
2 application.

1 17. The method of Claim 11, wherein reducing buyer mortgage payments
2 comprises reducing an effective interest rate of the mortgage for the predetermined period of
3 time.

1 18. The method of Claim 11, wherein the predetermined period of time is less
2 than three years.

1 19. A method of financing a real estate transaction, the method comprising:
2 offering for sale a plurality of similarly priced homes in a plurality of phases;
3 paying seller paid points on at least one home of a first phase of the plurality of
4 phases to reduce at least one first phase buyer's mortgage payment by a predetermined amount
5 over a predetermined period of time less than a term of the mortgage; and
6 paying a reduced amount of seller paid points on at least one home of a
7 subsequent phase of the plurality of phases to reduce at least one subsequent phase buyer's
8 mortgage payment by an amount less than a reduction of the at least one first phase buyer's
9 mortgage payment.

1 20. The method of Claim 19, wherein paying seller paid points on at least one
2 home of the first phase comprises paying seller paid points based in part on a buyer design center
3 expenditure.

1 21. The method of Claim 19, wherein paying seller paid points on at least one
2 home of the subsequent phase comprises paying seller paid points based in part on a buyer
3 design center expenditure.

1 22. The method of Claim 19, further comprising offering a design center
2 incentive based in part on the amount of seller paid points.

1 23. The method of Claim 19, wherein an amount of seller paid points on the at
2 least one home of a first phase does not exceed three points.

1 24. The method of Claim 19, wherein the predetermined period of time does
2 not exceed sixty months.

1 25. A real estate finance system, the system comprising:
2 a seller module configured to register a seller for a financial instrument having a
3 defined benefit;
4 a financial instrument module in communication with the seller module and
5 configured to generate a financial instrument redeemable for an amount of seller paid points; and
6 a lender module in communication with the financial instrument module
7 configured to determine an effective interest rate reduction based in part on the amount of seller
8 paid points.

1 26. The system of Claim 25, wherein the seller module is further configured to
2 accept a seller commitment to the amount of seller paid points.

1 27. The system of Claim 25, wherein the lender module is further configured
2 to determine a buyer mortgage and a mortgage payment having a reduced payment amount over
3 a period defined by the financial instrument.

1 28. The system of Claim 25, wherein the predetermined benefit comprises the
2 effective interest rate reduction over a predetermined period of time.

1 29. The system of Claim 25, wherein the lender module determines the
2 effective interest rate reduction based in part on the amount of seller paid points and a lender cost
3 of funds.

1 30. One or more processor readable storage devices having stored thereon one
2 or more processor readable instructions, the processor readable instructions when executed by a
3 processor performing the method comprising:
4 determining an amount of seller paid points;
5 determining a length of term;
6 determining an amount of reduction; and
7 generating a financial instrument redeemable for the amount of reduction over the
8 length of term.